

Message Text

UNCLASSIFIED

PAGE 01 SEOUL 04677 071058Z

ACTION EB-07

INFO OCT-01 EA-09 ISO-00 CAB-05 CIAE-00 COME-00
DODE-00 DOTE-00 INR-07 NSAE-00 EPG-02 FAA-00 L-03
SS-15 NSC-05 TRSE-00 SCA-01 /055 W
-----071123Z 095824 /20

R 070847Z JUN 77

FM AMEMBASSY SEOUL
TO SECSTATE WASHDC 4317

UNCLAS SEOUL 4677

E.O. 11652: NA

TAGS: EAIR, KS

SUBJECT: CIVAIR: KOREAN CURRENCY RESTRICTIONS

REF: A) STATE 094766 B) SEOUL 4123

C) DUGAN-LEE MEMCON OF MAY 17

1. IN A LETTER DATED JUNE 1, THE BANK OF KOREA PROVIDED
THE EMBASSY WITH A DIGEST OF THE FOREIGN EXCHANGE
REGULATIONS WHICH GOVERN AIRLINES OPERATING IN KOREA.

2. A SUMMARY OF THE LETTER FOLLOWS:

A. ALL RESIDENTS OF KOREA AND KOREAN NATIONAL NON-RESIDENTS
MAY PURCHASE TRANSPORTATION TICKETS IN WON. THE SOLE EXCEPTION
TO THE ABOVE IS THAT OF AN "INVITEE" WHO, BY DEFINITION, IS SOMEONE
WHO RECEIVES PRE-PAID TRANSPORTATION FROM ABROAD. EXCEPT FOR THE
ABOVE, NO ONE ELSE MAY PURCHASE TICKETS WITH WON.

B. PAYMENT OF AIR CARGO CHARGES BY WON REQUIRES
APPROVAL FROM THE BANK OF KOREA, UNLESS PAYMENT IN WON IS
SPECIFICALLY ALLOWED BY CURRENT REGULATIONS. AIRLINES MUST
OBTAIN A LICENSE FROM THE BANK OF KOREA TO CONVERT AND REMIT
WON RECEIVED IN PAYMENT OF AIR CARGO. A LETTER OF CREDIT IS NOT
REQUIRED IN ALL/CASES TO PAY AIR CARGO CHARGES.

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C. TO CONVERT AND REMIT WON RECEIVED IN PAYMENT FOR CHARTER
FLIGHT TRANSPORTATION REQUIRES PERMISSION FROM THE BANK OF KOREA
(SEE D BELOW). THE PROVISIONS OF PARA A APPLY TO SALES OF TICKETS
FOR CHARTER FLIGHTS.

D. AIRLINES OPERATING IN KOREA MUST APPLY TO THE BANK OF

KOREA SEMI-MONTHLY FOR PERMISSION TO CONVERT AND REMIT WON RECEIVED IN PAYMENT OF AIRLINE TICKETS. SEPARATE APPLICATION TO THE BANK OF KOREA MUST BE MADE FOR WON REVENUE RECEIVED IN PAYMENT OF AIR CARGO CHARGES.

E. THE ABOVE REGULATIONS APPLY EQUALLY TO ALL AIRLINES OPERATING IN KOREA.

3. THE ABOVE SUMMARY IS THE EMBASSY INTERPRETATION OF THE LETTER, DRAWN IN CONJUNCTSTO CHH THE ENCLOSURE (IN KOREAN) TO THE LETTER, AND BY REFERRING TO THE KOREAN FOREIGN EXCHANGE REGULATIONS IN KOREAN AND ENGLISH. AS WILL BE NOTED FROM THE TEXT, THE LETTER IS NOT ALTOGETHER UNAMBIGUOUS. WE BELIEVE, HOWEVER, THAT THE LETTER CAN BE USED AS A STATEMENT OF REGULATORY INTERPRETATION TO A LIMITED EXTENT.

4. A COPY OF THE LETTER AND THE ENCLOSURE ARE BEING FORWARDED TO EB/AN.
SNEIDER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AVIATION REGULATIONS, FOREIGN EXCHANGE CONTROLS
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SEOUL04677
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770202-0427
Format: TEL
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770682/aaaacufv.tel
Line Count: 82
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 888ebf83-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
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Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2247158
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: KOREAN CURRENCY RESTRICTIONS
TAGS: EAIR, KS
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/888ebf83-c288-dd11-92da-001cc4696bcc
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